TC 6021

Speech of CNRT President Xanana Gusmao
Tokyo Donors Conference on East Timor 17/12/1999

Honorable chairmen, ladies and gentlemen,

I am very pleased to be here today. One year ago, the meeting we hold today seemed impossible. One year ago, we did not know that the May 5th agreement would be signed, we had not imagined UNAMET and UNTAET, and most importantly, we did not know that the ballot would take place, where our people would turn out with such strength, such courage, to vote for their future.

It has also been a year of extremes. Happiness on the day of the ballot, tears at the destruction and loss of life which followed. The one thing which has been consistent throughout this year has been the bravery of our people, their determination to vote for an independent future, and their fortitude in facing the trauma after the ballot. They deserve the best which their leadership and the international community can provide.

After the storm we have faced this year, what is now our political vision for the future? Firstly, we wish to create an inclusive society. All East Timorese, regardless of their political background, have a role to play in the reconstruction of our country. The delegation I have with me today includes CNRT members, a senior member of BRTT, the previously pro-autonomy party, and independent East Timorese professionals. We have supported UNTAET in establishing a National Consultative Council which is inclusive of all those East Timorese groups who are committed to a peaceful, democratic way forward. We will work together to develop a constitution and prepare for full, independent statehood. We also have here today a number of Timorese NGOs, a sign of the important role which civil society organisations will play in a free East Timor.

Inclusiveness does not mean impunity. The question of how justice will be administered in East Timor, and whether it will be punitive or restorative in nature is a question vital to our future and to the confidence the people will have in their governing institutions and leaders. Whilst we go about debating this delicate and highly complex issue amongst ourselves, we commend the initiative of the United Nations and of the Government of Indonesia in holding inquiries into human rights abuses in our country. I hope that these initiatives result not only in an opportunity for the many victims of violence to tell their story, but also help to boost our people's confidence in the universality of the values of justice, human rights and democracy.

We support a process of democratisation, with early elections for an East Timorese government. The period leading up to the ballot saw deliberate attempts to sow divisions in our society – to put father against son, brother against sister. To help mend the psychological trauma this has caused, in the short-term we must stress unity amongst all East Timorese citizens. This is why the National Consultative Council brings together leadership from across the political spectrum. Over the next year or two, as our people start to recover from the abuses they have faced, we will see political parties emerge. But we need time, for our people to see political parties as a healthy competition between different democratic visions, not as vehicles for waging terror or for patronage and corruption.

In implementing the reconstruction program, we seek a true partnership with the international community. Now is the time when we must start preparing to take over the reins of government at the end of the transitional administration. This preparation will only be successful if we have an equal seat at the table now, during the transition. The international community should give maximum priority to training Timorese at all levels. Wherever possible, all expatriates in UNTAET, UN agencies and NGOs should work side by side with East Timorese. Concerted action in this area will help solve problems of absorbtive capacity, through early efforts to build East Timorese human resources. After all, it is we, the East Timorese, who will be dealing with the problems of government long after the last UNTAET official has gone home.

We have been working with UNTAET to develop consensus on the steps necessary to restore government in East Timor, and we appreciate the spirit of partnership shown by the SRSG and his staff. I would like to see joint planning and systematic coordination in *all* the humanitarian, governance and reconstruction programs taking place in East Timor, following the model of the Joint Assessment Mission which we used to prepare for this meeting. Development programs will have more chance of success in the long term if this consultative approach is taken, right down to the grassroots level. Our people, who have suffered so much, deserve not only financial assistance: they deserve assistance which is given with respect, consideration and love.

What is our economic vision? In general I leave this to the economists, but I will sketch out some general points. Firstly, we believe that economic recovery in East Timor must be led by the agricultural sector. This is very important in the short-term, to eliminate the present total reliance on humanitarian aid, and to encourage people to return to the rural areas. The humanitarian intervention has been of value in providing emergency support, but we now need to pass from the humanitarian to the economic reconstruction phase, based on the recovery of agricultural production. In the medium-term, the agricultural sector is also key to poverty reduction, since the poorest in our society are dependent on agriculture for their income. Before leaving the subject of agriculture, I would like to call your attention to an urgent problem – lack of agricultural inputs to ensure planting in the current season, before the end of the month. In this context, I appeal to you to assist us quickly in supplying seeds and tools for farmers.

Secondly, we would like to see a sustainable and efficient public sector, with the smallest possible bureaucratic machine. East Timor is a small country, and communities can be empowered at local levels to run many of their own affairs – we do not need the arms of the state to reach into every village and hamlet. I endorse the recommendations of the Joint Assessment Mission to recruit only 12,000 civil servants over three years, down from 28,000 before the ballot. Over 80% of these are in the health and education sectors, reflecting our commitment to focus on public investment in human development. This decrease in the size of the civil service should allow space for an increase in wages from extremely low levels before the ballot, to attract qualified staff and reduce the incentives for corruption.

East Timorese civil servants will be joined by international staff and technical assistance, principally from UNTAET, in the transitional period. We believe that international civilian administrators should be deployed in a very selective way, to provide skills not available in East Timor, and with explicit plans to train East Timorese staff to replace them.

I also fully support initiatives to increase financial controls and guard against corruption. For a small country, we are receiving a huge amount of international assistance. This meeting is considering voluntary contributions from donors for the recurrent and development budget, which we hope will have a direct impact on the welfare of the population. With regard to the remainder of the budget necessary for the transition to independence, we will work with UNTAET to reduce total costs.

We need to see that all international assistance is well spent, and for this are seeking to establish a body composed of UNTAET and East Timorese representatives to oversee the delivery of foreign aid. Just as the international community quite correctly expects transparency and accountability from us, we too ask that NGOs and UN agencies be answerable and accountable to the East Timorese public in whose name they are soliciting funds. The situation in East Timor requires immediate action. Hence I also appeal to donors to ensure that the trust fund mechanisms established are as simple and flexible as possible, with clear coordinating responsibilities, to enable quick and efficient disbursement of funds.

Thirdly, we must invest in the human and social potential which exists in East Timor. To this end, the majority of funds identified as necessary for reconstruction in the next three years fall in the social sectors, with programs to rebuild and improve the health and education systems, and expand water, sanitation and other basic services. We also want to strengthen community decision-making, and therefore propose a Community Empowerment Program to build capacity at village and sub-district level, including the formation of village councils which will prioritise small grants for social and economic reconstruction activities.

Finally, we see the future East Timor as a country which is open to trade and investment, and has close commercial relations with its neighbours. For this reason, I am very glad that we hold this meeting in Japan. East Timor is an Asia-Pacific nation, and we need to build closer relations with our neighbours in Asia. I have also just returned from a visit to Indonesia, ,where President Wahid and I have affirmed our desire for close relations on many levels in the future. I welcome the Indonesian delegation which is here today, and hope to see these ties move closer in the coming months.

I would like to thank the Government of Japan for hosting this meeting, the World Bank and UNTAET for chairing our discussions, and all the countries and agencies represented here for your continued solidarity and support.